



NEWS RELEASE

OFFICE OF THE UNITED STATES ATTORNEY SOUTHERN DISTRICT OF ILLINOIS

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For Immediate Release

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**Waterloo, Illinois Resident Pleads Guilty
to Tax Evasion for Failing to Disclose Embezzled Funds**

A. Courtney Cox, United States Attorney for the Southern District of Illinois, announced today that **KAY FLOARKE**, age 52, of Waterloo, Illinois, pled guilty to the offense of tax evasion.

The offense carries a maximum possible punishment of up to five years imprisonment, a fine of up to \$250,000, three years supervised release, and costs of prosecution. Sentencing is scheduled for March 6, 2009.

According to the Stipulation of Facts filed at the time of the plea, **KAY FLOARKE** was employed as the office manager for an insurance company, and embezzled income from 2002 through 2006. **FLOARKE** failed to disclose her embezzled income on her federal income tax returns. Additionally she admitted that as office manager she prepared false W-2 earnings statements which concealed her embezzled income. **FLOARKE** admitted that she embezzled a total of \$122,771 and as part of the plea she has agreed to make restitution. Additionally, **FLOARKE** admitted that the total tax loss from her conduct is \$40,688 and she will be ordered to pay restitution to the Internal Revenue Service for her tax loss.

The investigation was conducted by the Internal Revenue Service, Office of Criminal Investigations. The case is being prosecuted by Assistant United States Attorney Norman R. Smith.

If you suspect or know of an individual or company that is not complying with the tax laws, you may report this activity by contacting the local Internal Revenue Service/Criminal Investigation Office at (618) 622-2160 or by mailing information to: Internal Revenue Service, Fresno, CA 93888

Please include the following information, if available:

Name and address of the person you are reporting. The taxpayer identification number (social security number for an individual or employer identification number for a business). A brief description of the alleged violation, including how you became aware of or obtained the information. The years involved. The estimated dollar amount of any unreported income Your name, address and

daytime telephone number. *Although you are not required to identify yourself, it is helpful to do so. Your identity can be kept confidential. You may also be entitled to a reward.*